

Health Benefits Fund
For the period ended June 30, 2005
(amounts expressed in thousands)

	FY2005					
	CAFR FY2004	Adopted Budget	Current Budget	YTD	Controller's Projection	F & A Projection
Operating Revenues						
City Medical Plans	\$ 171,051	\$ 213,699	\$ 213,699	\$ 200,879	\$ 200,879	\$ 200,879
City Dental Plans	7,707	8,381	8,381	7,811	7,811	7,811
City Life Insurance Plans	5,486	5,456	5,456	5,230	5,230	5,230
Dependent Care Reimbursement	143	160	160	139	139	139
Operating Revenues	<u>184,387</u>	<u>227,696</u>	<u>227,696</u>	<u>214,059</u>	<u>214,059</u>	<u>214,059</u>
Operating Expenses						
City Medical Plan Claims	169,205	210,843	210,843	198,537	198,537	198,537
City Dental Plan Claims	7,707	8,381	8,381	7,811	7,811	7,811
City Life Insurance Plans	5,383	5,456	5,456	5,226	5,226	5,226
Administrative Costs	2,649	3,225	3,296	2,651	2,651	2,651
Dependent Care	143	160	160	139	139	139
Operating Expenses	<u>185,087</u>	<u>228,065</u>	<u>228,136</u>	<u>214,364</u>	<u>214,364</u>	<u>214,364</u>
Operating Income (Loss)	(700)	(369)	(440)	(305)	(305)	(305)
Nonoperating Revenues (Expenses)						
Interest Income	210	300	300	538	538	538
Prior Year Expense Recovery	222	50	50	2	2	2
Nonoperating Revenues (Expenses)	<u>432</u>	<u>350</u>	<u>350</u>	<u>540</u>	<u>540</u>	<u>540</u>
Pension Bond Proceeds	0	0	0	71	71	71
Net Income (Loss)	(268)	(19)	(90)	306	306	306
Net Assets, Beginning of Year	<u>1,036</u>	<u>768</u>	<u>768</u>	<u>768</u>	<u>768</u>	<u>768</u>
Net Assets, End of Year	<u>\$ 768</u>	<u>\$ 749</u>	<u>\$ 678</u>	<u>\$ 1,074</u>	<u>\$ 1,074</u>	<u>\$ 1,074</u>

About the Fund:

The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Point of Service (POS) plan, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.